

LUCA PICARIELLO

CURRENT POSITIONS

Assistant Professor of Finance (Rtd-A)

Department of Economics and Statistics
University of Naples Federico II

Dec.2020 - present

Research Fellow

Center for Studies in Economics and Finance – CSEF

Sep. 2018- present

PAST POSITIONS

Postdoctoral Researcher

Center for Studies in Economics and Finance - CSEF
University of Naples Federico II

Sep. 2018 - Nov.2020

RESEARCH INTERESTS

Organizational
Economics

Contract Theory

Personnel
Economics

Corporate
Finance

EDUCATION

PhD in Economics

Norwegian School of Economics

Supervisors: Eirik Gaard Kristiansen

Dissertation: Essays on Talent Discovery and Allocation Evaluation

Committee: Ola Kvaløy, Jin Li and Trond Olsen.

2013 - 2018

M.Sc. Economics and Finance (cum laude)

University of Naples Federico II

2011 - 2013

B.Sc. Political Science, Economics specialization (cum laude)

University of Salerno

2008 - 2011

VISITING POSITIONS

Columbia Business School

Spring 2019

Invitation by Prof. Wouter Dessein.

Center for Studies in Economics and Finance (CSEF)

Fall 2016

University of Naples Federico II

Invitation by Prof. Marco Pagano

TEACHING EXPERIENCE

Strategy, Information and Decision (M.Sc. course at Norwegian School of Economics)

Fall 2014

Teaching assistant of Professors Trond Olsen and Eirik Gaard Kristiansen.

Applied Microeconomic Theory (M.Sc. course at Norwegian School of Economics)

Spring 2015, Spring 2016

Teaching assistant of Professors Fred Schroyen and Eirik Gaard Kristiansen.

Optimization and Microeconomic Theory (M.Sc. course at Norwegian School of Economics)

Fall 2015, Fall 2016

Teaching assistant of Professors Fred Schroyen and Lars Mathiesen.

Microeconomics and Complements (B.Sc. course at University of Naples Federico II)

Spring 2018, Spring 2021

Instructor.

Advanced Microeconomics I (graduate level course at University of Naples Federico II)

Fall 2018

Instructor.

Contract Theory and Organization Economics (PhD course at the Naples School of Economics, University of Naples Federico II)

Spring 2021, Spring 2022

Instructor.

WORKING PAPERS

Organizational Design with Portable Skills [Job Market Paper]

Abstract: Workers can move across firms and carry along portable human capital. I present a model where workers' talent is observable but task allocation is non-contractible. To reduce mobility firms may inefficiently match workers with tasks that reduce their outside option. I show that by organizing the firm as an equity-partnership, the efficient task allocation can be implemented and profits increase. This result is attained by shifting control rights to workers who become partners, decide over task allocation and earn dividends as compensation. This provides a new rationale for the widespread presence of firms organized as partnerships in human-capital intensive industries.

Talent Discovery, Layoff Risk and Unemployment Insurance (with Marco Pagano)

Abstract: In talent-intensive jobs, workers' quality is revealed by their performance. This enhances productivity and earnings, but also increases layoff risk. Firms cannot insure workers against this risk if they compete fiercely for talent. In this case, the more risk-averse workers will choose less quality-revealing jobs. This lowers expected productivity and salaries. Public unemployment insurance corrects this inefficiency, enhancing employment in talent-sensitive industries, consistently with international evidence. Unemployment insurance dominates legal restrictions on firms' dismissals, which penalize more talent-sensitive firms and thus depress expected productivity. Finally, unemployment insurance fosters education, by encouraging investment in risky human capital that enhances talent discovery.

Promotions and Training: Do Competitive Firms set the Bar too High?

Abstract: Firms use promotions to match workers with jobs that fit their ability, but also to provide incentives to exert on-the-job training effort. As promotions make workers more attractive in the labor market, firms will balance productivity and retention costs. I show that if workers exert firm-specific training effort, profit-maximizing firms that cannot commit to promotion rules promote fewer workers than efficient. Differently, if firms can commit to promotion bars, for instance by means of structured managerial practices, they set the bar efficiently. If workers acquire portable training, this directly increases retention costs. Firms that cannot commit to promotion bars will set them inefficiently high. In this case, workers are discouraged from training when competition for talent is fierce. If firms can commit to promotion bars, they set them lower than without commitment providing strong incentives for workers to acquire portable training. However, in this scenario the promotion bar may be set too low compared with the efficient talent allocation.

Ownership, Control and Careers (with Marco Pagano)

Abstract: Careers are often shaped by favoritism rather than merit, even though this saps firm performance. In a model where the controlling shareholder trades off the private benefits of favoritism against its costs, favoritism emerges only if the controlling shareholder's stake is sufficiently low. As funding investment requires dilution of such stake, it is associated with greater favoritism. Entrepreneurs may precommit to meritocratic promotions by adopting a managerial business model, so as to fund larger projects; however, they will refrain from doing so if the private benefits of favoritism are large. Indeed, to retain such benefits, entrepreneurs may forgo large investment opportunities whose funding would require loss of control.

WORK IN PROGRESS

Feedback Effect and Investment Horizon (with Giovanni Walter Puopolo)

Eastern vs. Western Education: Too Much or Too Little Exploration? (with Alexander Rodivilov)

CONFERENCE AND SEMINAR PRESENTATIONS

2020: University of Copenhagen, Institute for Industrial Economics, Lancaster University Management School, University of Milan – Bicocca, Queen's University, SIOE Conference.

2019: Columbia Business School; Stevens Institute of Technology; Society for Advancement in Economic Theory Conference, Norwegian School of Economics.

2018: ASSA Annual Meeting - American Economic Association; Collegio Carlo Alberto; Aalto School of Economics; Rotman School of Management - University of Toronto; SoLE-JoLE Conference; HEC Montreal; Econometric Society European Meeting.

2017 : Royal Economic Society Symposium of Junior Researchers; 13th CSEF-IGIER Symposium on Economics and Institutions; Center for Business Economics Seminar, Norwegian School of Economics; Midwest Economic Theory Conference.

2016: Midwest Economic Theory Conference; EEA-ESEM Conference; Young Economists' Meeting; CSEF - University of Naples Federico II; Norwegian School of Economics; Workshop on Organizational Economics, Norwegian School of Economics; NHH-UiB PhD Workshop.

2015: Norwegian School of Economics; NHH-UiB PhD Workshop; University of Naples Federico II.

SEMINAR ORGANIZATION

Fall 2018-Spring 2019: CSEF Seminar Series

REFEREEING

Labour Economics, Journal of Economics and Management Strategy, Journal of Economic Behavior and Organization.

AWARDS

Ph.D. Scholarship at the Norwegian School of Economics;

Research Scholarship Grant issued by the Center for Studies in Economics and Finance at the University of Naples Federico II.

OTHER SKILLS

Languages: Italian (Native), English (Fluent), French (Good), Spanish (Basic), Norwegian Bokmål (Basic).

Computing: \LaTeX , Stata, Matlab, Microsoft Office, R.

Sports: Tennis, Football, Squash, Table Tennis.